

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 443 – HB 481

April 4, 2017

SUMMARY OF ORIGINAL BILL: Removes the authority of a district public defender to contract with individuals to provide prompt and fair adjudication of post-conviction proceedings.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006716): Deletes and rewrites the proposed legislation to set the annual salary of elected district public defenders at \$165,830, to become effective June 30, 2017.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Expenditures – \$45,800/FY16-17
\$550,100/FY17-18 and Subsequent Years**

Assumptions for the bill as amended:

- The annual compensation for district public defenders is set by Tenn. Code Ann. § 8-14-107(a). The proposed legislation will increase the compensation of the 29 state funded district public defenders to \$165,830.
- Tennessee Code Annotated § 40-30-209 provides, “The post-conviction defender shall be paid a salary equal to the amount established by law for district public defenders.”
- Tennessee Code Annotated § 8-14-320(c) provides, “The executive director shall receive a salary equal to that fixed by law for a district public defender.”
- The proposed legislation only increases the salary for district public defenders, but it will trigger salary increases for the executive director of the District Public Defenders Conference and the post-conviction defender. As a result, the proposed salary increase will apply to 31 positions.
- An elected district public defender currently receives a salary of \$151,478. The proposed legislation will increase the salary by \$14,352 (\$165,830 - \$151,478).
- The annual limit on the contribution and benefit base for Federal Insurance Contributions Act (FICA) is \$127,200. The salary increase will not be subject to FICA.

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- The proposed legislation will increase recurring state expenditures beginning in FY17-18 by \$550,134 $\{[\$14,352 + (\$14,352 \times 0.2365 \text{ benefits})] \times 31 \text{ positions}\}$.
- The provisions of this legislation require such increased compensation to be in effect as of June 1, 2017. Given the provisions of the bill become effective upon becoming law, it is assumed the legislation will be enacted and in effect timely enough to implement the compensation adjustments as of June 1, 2017, as proposed by the legislation.
- The proposed legislation will increase state expenditures for the month of June 2017, which is the last month of FY16-17. The increase in state expenditures in FY16-17 is estimated to be \$45,845 $(\$550,134 / 12)$.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/trm